

Food (19548) Department.

M/s. SERIES.

G.O. No. 547

Dated

17-6-48

[Despatch Abstract.]

Civil Supplies - Sugar - Frozen Stocks of sugar held by factories on 3.12.1947 - Sale to factories - Utilisation of sale proceeds for benefit of sugarcane growers and sugar industry - Government of India's decisions - Papers - Recorded.

GOVERNMENT OF MADRAS.
Food Department.

Letter No. 3224/F/48-9.

From

Sri. M.A. Kuttalalingam Pillai, B.A.,
Secretary to Government.

To

The Secretary to the Government of India,
Ministry of Food,
New Delhi.

Dated, Fort St. George, the 19th March 1948.

Sir,

Sub:- Civil Supplies - Resale of frozen stocks of
sugar with the factories and sale proceeds -
Utilization.

Ref:- Correspondence resting with your telegram
No. SS.501(46)/47 dated 4.3.1948.

I am directed to invite a reference to the correspondence ending with the telegram cited on the subject indicated above. The Madras Government note that the Government of India have decided to release the frozen stocks of sugar with the South Indian Factories as on 8.12.1947 on payment by them of a sum of Rs. 14-3-0 per Imperial maund to the credit of the Government of India under the head specified in the telegram cited. In this connection, this Government would like to emphasize that it is not clear why the sale proceeds of the frozen sugar should be credited to the Government of India. As the Government of India are aware the entire frozen stocks of sugar under reference were intended to be utilized for consumption in this Province, according to the arrangements in force prior to 8.12.1947, the date on which sugar was decontrolled, and the stocks would have been consumed in this Province itself in case the control over sugar had been continued. The Madras Government therefore consider that the entire amount recovered in this Province in respect of frozen sugar should in all fairness be given to this Province and credited to the Madras Government. I am to request that this may kindly be done and in doing so to assure the Government of India that amount made over to this Government will be utilised towards ameliorative measures for the benefit of the sugar-cane growers of this Province. This Government trust that the Government of India will agree that the claim of this Government is fair and reasonable and that they will have no objection to concede it. This Government also presume that detailed instructions will be issued by the Government of India to the South Indian Factories direct regarding recovery and credit of the amount under intimation to this Government.

I am to request that the reply of the Government of India in the matter may kindly be communicated at an early date.

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Yours faithfully,

M.A. Kuttalalingam Pillai,
Secretary to Govt.

Copy to the Board of Revenue (Civil Supplies).

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NO. SS.501(54)/48.
GOVERNMENT OF INDIA,
Ministry of Food.

New Delhi, the 22nd April 1948.

From

N.T. Mone, Esquire, I.C.S.,
Joint Secretary to the Government of India.

To,

The Secretary to the Government of Madras,
Food Department,
Madras.

Sup:- Disposal of profits on sugar stocks frozen by the
Government of India on 8.12.1947.

Sir,

I am directed to invite attention to the Government of India Notification No. SS.501/28/47 dated the 8th December 1947, under which, consequent on decontrol of sugar on 8.12.1947, all stocks of sugar held by sugar factories on 8.12.1947 were frozen. This action was taken with a view to utilize the profits accruing on account of the difference between the price of old sugar and that of the new sugar for the benefit of the sugar-cane growers and the Sugar Industry.

2. The entire frozen stocks have since been released and it is estimated that approximately 2.28 crores of rupees will be realized as profit on the sale of frozen sugar stocks. Out of this the Government of India have decided to retain an amount which will enable them to supply 20,000 tons of sugar to Pakistan and their Armed forces in accordance with their commitments. The balance will be distributed to the Provincial Governments, in proportion to the sugar stocks held by the sugar factories of your Province on the date of decontrol. The share of your Province on this basis will approximately come to Rs. 3,77,688.

3. The Government of India have decided that the above amount should not be spent by the Provincial Government but kept as a reserve for meeting any emergencies till the end of 1948. Thereafter the Provincial Government may submit their proposals to the Government of India for spending the amount for the benefit of the sugarcane growers and the improvement of the sugar industry.

Your most obedient servant,

(Sd) N.T. Mone,
Joint Secretary to the Govt. of
India.

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/True copy/

Office Assistant,
Madras-Record Office.

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k.y.s.

FOOD DEPARTMENT

After issue of the Endorsement the papers may be recorded as a Miscellaneous Government Order. (Development are taking action with reference to para 3 of the Government of India's letter on page 55 c.f.).

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12.6.

G.O. Ms. No. 547 dated 17.6.1948.

Civil Supplies - Sugar - Frozen stocks of Sugar held by factories on 8.12.1947 - Resale to factories - Utilization of sale proceeds for benefit of Sugarcane growers and sugar industry - Government of India's decision - Papers recorded.

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/True copy/

k.y.s.

R. Thirayagalin
26.12
Office Assistant,
Madras Record Office.
17/12/50
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